



सत्यमेव जयते

Government of West Bengal

Labour Department

**Report of
the Minimum Wages
(Tanneries and Leather
Manufactories) Committee**

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GOVERNMENT OF WEST BENGAL.

Office of the Industrial Tribunal.

8, Lyons Range, Calcutta.

No. 2528-LT.

FROM SRI G. PALIT, *District Judge,*
Chairman, Minimum Wages Enquiry Committee for Tanneries and
Leather Manufactories,

TO THE JOINT SECRETARY TO THE GOVERNMENT OF WEST BENGAL,
LABOUR DEPARTMENT, WRITERS' BUILDINGS, CALCUTTA.

Dated the 8th December 1950.

SUBJECT: *Report of the Minimum Wages Enquiry Committee for Tanneries*
and Leather Manufactories.

SIR,

I beg to submit herewith the majority report of the Minimum Wages Enquiry Committee in respect of employment in Tanneries and Leather Manufactories in West Bengal as per Notification No. 1363-Lab., dated the 22nd March 1950, along with the note of dissent of some members.

Yours faithfully,

G. PALIT.

Chairman.

Report of the Committee for Fixation of Minimum Wages regarding Employment in Tanneries and Leather Manufac- tories in West Bengal.

CHAPTER I.

The Government of West Bengal, by its Notification No. 1363-Lab., dated the 22nd March 1950, appointed a Committee to hold enquiries and to advise the Government in the matter of fixing the minimum wages in respect of employment in tanneries and leather manufactories in West Bengal. The appointment was in exercise of the power conferred by clause (a) of sub-section (1) of section 5 of the Minimum Wages Act, 1948 (Act XI of 1948). The composition of the Committee did answer the requirements of section 9 of the aforesaid Minimum Wages Act, 1948. There were representatives of the Government of West Bengal in the said Committee. They were :—

- (1) Sri G. Palit, District Judge—*Chairman of the Committee.*
- (2) Sri B. M. Das, Industrial Adviser of Leather and Tanning to the Government of West Bengal.
- (3) Sri Radhanath Das, M.L.A.

There were three representatives of the employers, viz.—

- (1) Sri M. L. Khaitan of the Bata Shoe Co., Ltd.
- (2) Sri B. C. Majumdar of the Bengal Tanneries.
- (3) Sri Amulya Mustafi of the Leather Expert Union.

There were three other representatives of the employees, viz :—

- (1) Sri Ramananda Das, of the Bengal Provincial National Trade Union Congress.
- (2) Sri Tejen Bose, of the Bengal Provincial National Trade Union Congress.
- (3) Sri Nirmal Sen, of the Bengal Provincial National Trade Union Congress.

Sri Sudhir Bhattacharjee, Labour Officer, West Bengal—*Secretary.*

The Chairman after some preliminary discussion with the members of the Committee drafted a programme of inspection of some of the tanneries and leather manufactories in and about Calcutta. The Director of Industries, West Bengal, was written to supply a list of tanneries and leather manufactories in West Bengal with the rate of wages of different categories of workers. This was on 17th April 1950 at 11-30 a.m., in the Chamber of the Chairman at 8, Lyons Range, 2nd floor, Calcutta. The next meeting was held on 6th May 1950. The Committee next inspected the Bata Shoe Co., Ltd., at Batanagar, the National Tannery Co., Ltd., the Hindusthan Tannery, Ltd., the Vatal Tannery, Ltd., the National Chamois Works (1949), Ltd., the Leather Experts' Union Factory and also Chinese Pankhawala Tannery. The Committee also inspected the Leather Manufactory at Sriniketan in the district of Birbhum. These were the Industries mentioned

in the report sent by the Director of Industries. In the sitting of the Committee on 12th September 1950, the Chairman dilated on the purpose of this enquiry and also about its exact scope, and limitations. He called upon the members to give suggestions about specific rates of minimum wages to be fixed in the next sitting with reasons. The Committee met next on 25th September 1950 to reach the final decision about the matter of rates. In that meeting Sri B. M. Das, Sri Radhanath Das, Sri M. L. Khaitan, Sri Ramananda Das, Sri Amulya Mustafi and Sri Tejen Bose were present among the members of the Committee. Sri B. M. Das and Sri Radhanath Das suggested a scale of wages included dearness allowance respectively for skilled, semi-skilled and unskilled workers and also of the clerks. This was accepted by Sri Amulya Mustafi *in toto*. Sri Ramananda Das and Sri Tejen Bose suggested a different scale of wages. Sri M. L. Khaitan gave an independent scale of wages which was roughly midway between scale of wages suggested by the above two groups. The Chairman agreed with the scale of wages suggested by the first group of three members, viz., Sri B. M. Das, Sri Radhanath Das and Sri Amulya Mustafi. That being the majority decision, it was decided that the same should be forwarded to Government as the recommendation of the majority members of the Committee. The Chairman consented to forward any dissentient note of the other members. Such dissentient note should be placed before the Committee on the date fixed for finally sending the report to Government. Accordingly this report is sent along with the note of the dissenting members.

CHAPTER II.

This move to fix the minimum wages in industries in India has got a history behind it. In India the question was first discussed at the third meeting of the Standing Labour Committee in May 1943. In September 1943, it was raised again in the Labour Conference. In October 1944, the matter was again mooted in the Sixth Labour Conference. There was a general consensus of opinion in favour of setting up Regional Wage Boards to fix the statutory minimum wage. Next, the Government of India introduced the Minimum Wages Bill in the Indian Legislative Assembly in April 1946. The Bill was referred to the Select Committee in March 1947. The Select Committee submitted its report on the 28th January 1948. The Bill finally passed into law in February 1948.

Though different countries have moved in the matter at different times, they are at one in respect of the necessity of such fixation of wages. In England, legislation fixing the minimum wages was passed as far back as 1909. In the United States such labour legislation first came into being in 1912, in France in 1918. Mr. Jorge Mendez in his article of minimum wages in Latin America in the International Labour Review published in August 1950, Volume LXII, No. 2, at page 119 observes, "Nearly all the Latin American countries have adopted the principle of the minimum wage and have incorporated it in their legislation. The tendency has been especially marked in the last 10 years, but even earlier various countries have passed minimum wage laws, sometimes quite comprehensive in character, as in Mexico." The method of wage fixing however, has not been uniform. This learned man observes, "Some countries have confined themselves to fixing rates of minimum wages directly through an Act or decree covering a specified group of workers. Others have gone further and have set up permanent wage-fixing machinery for the purpose of fixing minimum wages periodically, either by regions or by occupations. Colombia, Haiti and Peru are among the countries which have fixed minimum wages by direct legislation. The Mexican system dates from 1917. That of Guatemala is just coming into operation. The Uruguayan system has become a very well-known national institution. That of Venezuela has been applied

only in smaller industries". In India, the necessity of such a piece of legislation is, perhaps, more imperative. Here labour is either ill-organised or not organised at all. Obviously, therefore, the workers are not in a position to dictate the terms of labour to the employers. The employers occupy a position of advantage. That advantage is further heightened by the illiteracy and the poverty of the workers. So, the State thought that it would be failing in its duty if it did not intervene just to secure fair wages to labour. This Minimum Wages Act aims at securing in a great measure some security of income and perhaps, also some certainty in the industrial labour. In the Act in section 4 the Government promised to constitute a Committee to fix the minimum rates of wages in Scheduled employment within 3 or 2 years as the case may be. The Industries are mentioned in Part 1 and Part 2 of the Schedule appended to the Act. In pursuance of that undertaking, the present Committee has been set up to fix the minimum wage rates in respect of workers in different industries.

CHAPTER III.

The Committee must have before it a clear conception of the scope of their duties in the present case. Under the Minimum Wages Act, 1948, the Committee will be required to fix (1) The time rate, piece rate, guaranteed piece rate and overtime rate for all employees. (2) These employees must include also the clerks [*vide* section 2(2)]. (3) Basic rate and dearness allowance, the latter to be adjusted at certain interval of time and in a prescribed manner with reference to the variation in the cost of living index number [*vide* section 4(2)]. (4) Rates in different localities in respect of different classes of workers. (5) Fixation of rates in a normal working day and also making provision for rates payable to workers working less than the normal hours, or in excess of normal working hours.

CHAPTER IV.

In fixing the minimum wages the Committee must be guided by certain principles governing this matter. These principles are more or less accepted by the Tribunals when they are required to fix the minimum rates of wages. The Committee should not fix the wages arbitrarily. It must be extremely cautious lest it may not fix the minimum wages which may result in spelling ruin to the industries. Such a step will be calculated to do harm, not only to the employers but also to the employees, in whose interests the wages are being fixed. The employees as a result will be thrown out of employment. They will fall back on their resources which are either very limited or nil. So the Committee must try to hold the scale even as far as practicable and as far as is justified by the exigencies of the situation.

The Committee must also have a clear conception of what is conveyed by the minimum wages. The Fair Wages Committee have formulated what is "living Wage", "fair Wage" and what is "minimum Wage" (*vide* pages 4-9, Chapter II of the Fair Wages Committee's Report). In the present case, the Committee is not so much concerned about the living wage or even about fair wage. Fair wage is only a step forward from the minimum wage; the living wage is the goal to which it aims to reach. Thus the rock-bottom of fair wage is the minimum wage. The upper level of fair wage is very close to living wage. Every industry, to justify its existence, is bound to pay minimum wage to its workers. Our present Labour Minister, the Hon'ble Sri Jagjivan Ram, in his introduction to "Planning for Labour" went so far as to say that an industry which cannot afford to pay the minimum wage has no right to exist. To grant fair wage may depend upon the capacity of the industries to pay.

The Committee must also have a clear idea as to what minimum wage exactly stands for. The Fair Wages Committee have taken the minimum wage to stand for bare subsistence of the worker and his family plus some frugal comfort. The minimum wage must ensure not only food and clothing but also shelter to the worker and his family over and above a little amount of comfort. Regarding the standard of subsistence, the measure varies as it is bound to vary in different countries. It depends on a variety of factors. Regarding the size of the worker's family, the position is now more or less settled. It is now accepted that the size of the worker's family should normally comprise the worker, his wife and two children below 14 years of age. They together would make up 3 consumption units. This is what was accepted by the Bombay Textile Labour Enquiry Committee. It is also approved by the Fair Wages Committee after some discussion. The Central Pay Commission has also accepted it. Justice Divatia in his award on the dispute between Imperial Chemical Industries and its employees has also endorsed this (*vide* "Labour Gazette", Bombay, November 1947, pages 46-47). The present Committee, in pursuance of the above strength of opinion, have also accepted 3 consumption units as the normal size of a worker's family. The actual rate will be worked out in the next chapter having regard to the principle formulated above.

CHAPTER V.

The Committee thought it worth while to refer to the adjacent provision of Bihar just to see what minimum rate the said Government has fixed in respect of employment in tanneries and leather manufactories in the said Province. The Committee also had before it the national income and its distribution in India in this respect. The productivity of the concern and also the place of the industries in the general economy of the country have also been considered on the lines followed by the Tribunal's awards. The Committee also did not lose sight of the prevailing rates of wages in different units of the industries in Calcutta and near about and also in other industries in the neighbourhood. The Committee also approached the matter from the standpoint of Dr. Aychroid's Food Norms of the industrial workers. The different conclusions which are reached by taking into consideration these different viewpoints are placed below.

If the national income and its distribution in India is reckoned, then Dr. Gopal of the Central Pay Commission would be inclined to recommend Rs. 30 as the basic minimum wage in 1950. He reached this figure, because the national income *per capita* in India is much less than Rs. 100 per year. According to him, this basic minimum pay be raised to Rs. 35 per month in 1955. In 1960 it will reach Rs. 40 per month provided the national income *per capita* reaches a figure of Rs. 136 per annum.

If the opinion of Dr. Radha Kamal Mukherji is referred to he will advise the basic minimum very much on the lines of Dr. Gopal. He would go even beyond that. He would advise as a precautionary measure to start with Rs. 20 per month as the basic minimum and then to go up by one rupee at the interval of every year to reach the figure of Rs. 30 per mensem.

If the nutrition standard of Dr. Aychroid's Food Norm is considered, the Committee gets that 2,600 calories of daily intake should keep the worker healthy and efficient. In 1939—the year to start with where the cost of living index number was 100—the cost of such food per month would come to Rs. 5. The worker's family has been taken to comprise 3 consumption units as already stated. So the total cost per month of a worker's family in 1939 would be Rs. 15. This represents only the cost on the head of food. It is 60 per cent. of the total expenditure. Other costs on the score of clothing, etc., amount to 30 per cent. The cost on residence is 10 per cent. That

is, however, excluded from the consideration, because it is included in the computation of dearness allowance. Dearness allowance is separately considered. So the total cost of worker's family in 1939 would work out to Rs. 15 plus Rs. 7-8, i.e., Rs. 22-8 altogether. In 1939 the cost of living index number is taken to have been 100. Prices, according to Central Pay Commission, are expected to stabilise at the number 160 or so. So the basic wages at this index number of 160 would amount to Rs. 36 per month for a normal worker's family to keep them healthy and efficient.

But it has been seen that the minimum basic wage would comprise not merely subsistence but also some amount of frugal comfort. Further the present cost of living index number is not 160 but much above that. It may be taken at 360. This deficiency is made up by the granting of dearness allowance. But this deficiency cannot be fully compensated. Different awards of the Industrial Tribunal in West Bengal and elsewhere had neutralised this deficiency to the extent of 40 to 50 per cent. This Committee has accepted 44 per cent. neutralisation as apposite to the present situation. The Committee by a majority have fixed Rs. 36 per month as to the basic minimum wages for the unskilled category of workers. For the semi-skilled the Committee have recommended Rs. 41 per month as the basic minimum wage. For the skilled workers the Committee have recommended Rs. 50 per month as the basic minimum wage. The dearness allowance in the case of unskilled and semi-skilled have been fixed at Rs. 15 per month. The dearness allowance has been a little bit more in the case of skilled workers and the clerks, as is justified by their superior standard of living. In their case, the Committee have recommended Rs. 20 as dearness allowance per month.

The Committee have thus practically accepted the basic minimum wage justified by Dr. Aychroid's Food Norm. It has been a little more than what was recommended by Dr. Gopal and Dr. Radha Kamal Mukherji as the basic minimum wage for unskilled labour.

In support of its conclusion regarding dearness allowance, the Committee considered other factors. As at present circumstanced, the workers do not usually live in the factory with their family members. They live without family in bustees in mess with other workers. They make monthly remittances to the branch of the family remaining at home. The Tribunal as well as the practical economists recognise that the village nexus cannot be disturbed now. The worker can live with his family in the factory when the employers could find their way to set up barracks for their accommodation and when they could find for the proper medical aid and other amenities. The Committee during inspection contacted the workers. It finds that generally the workers spend Rs. 30 for their expenses, and remit Rs. 15 or Rs. 20 per month home for maintenance of their family. The remittance is generally supplemented by the members of the family by other subsidiary sources of income, either from cultivation or from service. So Rs. 15 or Rs. 20 as dearness allowance per month and Rs. 36 as the basic minimum wage do not appear to the Committee either inadequate or harsh to the workers.

The other standard to arrive at the minimum wage is a consideration of the prevailing rates of wages in sister industries or other kindred industries in the neighbourhood. The Committee have found that the wages recommended fall in line with the wages received by the workers in allied industries in the neighbourhood or in different units of this industry.

Regarding the productivity of the concern which is a standard in the matter of fixing of wages the Committee found that the factories were never so much hit by the wages as for want of supply of raw materials

due to partition of Bengal and due to tariff difficulties. The factories could produce quite sufficiently to pay the workers handsome wages provided raw materials at economic prices were available. The market for disposal of commodities also was rather idle. So the minimum wages cannot be fixed at the present moment having regard to only the productivity of the concerns. Besides, there is no standard process at present to assess the precise value of labour. Production also does not depend entirely on labour but a variety of other factors, viz., the condition of the machines, quality of raw materials and also managerial efficiency. So the Committee would not rely on this standard in the matter of fixation of minimum wages.

Regarding the place of industry in the general economy of the country which is also relevant in matter of fixing wages it may be said that this industry occupies a very important place. The condition of the industry appears to be such as could fairly afford to pay the minimum wages fixed in the present case. There were general complaints that the local industries could not vie with the Chinese section of the industry in the matter of production and sale. Some specific complaints against the Chinese industry came to the notice of the Committee. The Committee, however, did not think it worth while to go into this matter in connection with this enquiry. The last point in this connection is the reference to the scale fixed by the Bihar Government in this respect, *vide* Appendix A. This Committee could not accept the rate as it appeared to be rather too high. The Committee thought that it would mean almost disastrous to the local industries if such scale is adopted in West Bengal. Besides, the Committee found that a very large section of the labour employed in the tanneries come from Bihar. The Committee could not understand how would they come to West Bengal and submit to a lower scale of wages if they could find such a high rate in their native province. So the Committee could not see its way to accept the scale or a scale very near to it fixed by the Bihar Government.

CHAPTER VI.

Here the Committee record the actual conclusions regarding the minimum rates of wages in respect of employment in tanneries and leather manufactories in West Bengal. This is the decision of the majority of the members of the Committee.

A.

Scales of Wages.

| | Basic per month. | | | Dearness allowance per month. | | | Total. per month. | | |
|---------------------------------|---------------------|----|----|-------------------------------------|----|----|----------------------|----|----|
| | Rs. | a. | p. | Rs. | a. | p. | Rs. | a. | p. |
| (1) For the unskilled worker .. | 36 | 0 | 0 | 15 | 0 | 0 | 51 | 0 | 0 |
| (2) Daily rate | 1 | 4 | 7 | 0 | 8 | 7 | 1 | 13 | 2 |
| (3) For semi-skilled workers .. | 41 | 0 | 0 | 15 | 0 | 0 | 56 | 0 | 0 |
| (4) Daily rate | 1 | 7 | 5 | 0 | 8 | 7 | 2 | 0 | 0 |
| (5) For the skilled workers .. | 50 | 0 | 0 | 20 | 0 | 0 | 70 | 0 | 0 |
| (6) Daily rate | 1 | 12 | 7 | 0 | 11 | 5 | 2 | 8 | 0 |
| (7) For the clerks | 50 | 0 | 0 | 20 | 0 | 0 | 70 | 0 | 0 |
| (8) Daily rate | 1 | 12 | 7 | 0 | 11 | 0 | 2 | 8 | 0 |

B.

Female workers, if any, would be entitled to have the same wages as male workers. There is hardly any female worker in the tanneries and leather manufactories inspected by the Committee.

C.

For the apprentices—2/3rds daily rates set above plus full dearness allowance. The piece rate according to the majority members of the Committee already mentioned must not be lower than the daily rate

D.

The Committee recommend that the dearness allowance may be adjusted according to the variation in the cost of living index number at the interval of each year. The rise and fall of 10 points will account for the rise and fall in the dearness allowance recommended above by Re. 1 as the marginal difference in 200 points (360-160) between the current living index number and living index number where the prices are expected to stabilise. For a drop or rise—short of and in excess of 10 points in the living index number—the reduction and increase will be proportionate.

E(I).

Time rate should be calculated on the basis of 8 hours of work per day with half an hour recess.

(II).

Overtime rate, double the normal rate including dearness allowance.

(III).

Work less than a full day will earn full wages if the stoppage is at the instance of the employer. If it is the result of wilful refusal on the part of the employee, then the worker forfeits the above privilege. He will get wages *pro-rata* for the actual hours worked.

(IV).

Government by its rule-making power under section 30 of the Act drafted rules on these points which are reproduced above. So the Committee refrain from going into them. Other relevant rules are reproduced below (*vide* Notification No. 1767-Lab., 11th April 1950).

Sunday is a paid holiday at half the rates. If a worker is made to work on such days he will be entitled to get wages at double the normal rate plus half day's wages. A month accordingly has been taken to comprise 28 days in place of 26 days hitherto followed. It is necessary just to point out who are included in the categories of unskilled, semi-skilled and skilled worker. The Committee by a majority decided that the semi-skilled category includes the workers who are unhairers, scudders, nailers, trimmers, hand-stakers, hand-boarders, stainers, seasoners, and other workers who do similar work. The unskilled category comprises the workers who pile hides in the raw hide godown, also the soakers, lime-house labourers except those mentioned in the semi-skilled and skilled category, bark yard labourers, drum and paddle attendants, leach house labourers, bark-crushers, oilers and menials who handle hides for drying and do other kindred work. The category of skilled workers comprise the machine workers, the hand-fleshers, and the hand-shavers. Those workers who are employed in shoe-making are deemed to be included in the category of skilled workers.

The persons who work in leather manufactories are all deemed to be skilled workers, and are entitled to wages as such.

CHAPTER VII.

The Chairman tried his best to secure the unanimity among the members regarding the conclusions reached by the Committee. But unfortunately that was not found possible as the labour representatives have put up the wages at a very high figure which the other members could not acquiesce in. The Chairman, however, forwards herewith the dissenting note submitted by Sri Ramananda Das and Sri Tejen Bose. The Committee could not find its way to accept the scale recommended by Sri M. L. Khaitan, because the scale of wages paid by the Bata Shoe Co., Ltd., which might have influenced his views was rather far too high. The Bata Co. unlike other tanneries has an enormous resources at its command. Besides, it is a rubber industry much more than a leather tannery. The leather section occupies but a minor part in the industry. These are the reasons which the Committee took into reckoning in reaching the final conclusion about the rates of wages.

G. PALIT,
Chairman,
7-12-1950.

S. BHATTACHARJEE,
Secretary.

R. N. DAS.
B. M. DAS.
A. MUSTAFI.
G. PALIT.

Dissenting Members.

RAMANANDA DAS.
T. N. BOSE.



I dissent and submit my note.

M. L. KHAITAN.

No. W-301-L. 1949., dated the 14th March 1950.

Notification by—The Government of Bihar, Labour Department.

In exercise of the powers conferred by clause (a) of sub-section (1) of section 3 read with sub-section (2) of section 5 of the Minimum Wages Act, 1948 (XI of 1948), the Governor of Bihar is pleased to fix the minimum rates of wages within the meaning of clause (iii) of sub-section (1) of section 4 of the said Act payable to the unskilled employees of the lowest category employed in the employments specified in the Annexure to this Notification.

ANNEXURE.

Part I of the Schedule under the Minimum Wages Act, 1948.

Note.—The rate of minimum wages as specified below are in respect of adult employees only unless otherwise specified :—

| Serial No. | Name of employment. | Minimum rates of wages. | | | | | |
|------------|---|-------------------------|----|----|--------|----|----|
| | | Monthly. | | | Daily. | | |
| | | Rs. | a. | p. | Rs. | a. | p. |
| 1 | 2 | 3 | 4 | | | | |
| * | * | * | | | * | | |
| 8 | Employed in tanneries and leather manufactory. | 65 | 0 | 0 | 2 | 6 | 0 |

Note of Dissent.

Memorandum by Sri Ramananda Das, President, All-Bengal Charkmaker Union and Worker-Member of the Minimum Wages Committee for Tanneries and Leather Factories of the Government of West Bengal, for consideration of the Government.

(1) Government of India are going to fix up the minimum wages for the workers employed in 13 industries of India in pursuance of which they have set up Provincial Committees for each industry to give suggestions for the minimum earning of individual workers. The Committee is formed on Tripartite basis consisting of the representatives of employers, employees and Government.

(2) In Tanneries and Leather Manufacturing Committee, set up by the Government of West Bengal, there are 4 members of the Government, viz., Mr. G. Palit, the Judge as the Chairman, Mr. S. K. Bhattacharjee, the Labour Officer as Secretary, Rai Bahadur B. M. Das, the Leather Expert, and Mr. Radhanath Das, M.L.A. The latter belongs to the Muchi (Shoemaker) Community. He is big Zamindar and Multimillionaire and as such has no practical idea of the working conditions, difficulties and remuneration of the labourers. The appointment of this inherently reactionary as one of the members from the Government side is not only detrimental to the best interest of the workers, it is also damaging the impartial character of the Government. One cannot help feeling that this gentleman cannot but support the employers at the cost of the exploited workers.

(3) The selection of three members to represent the employers is also full of misgivings and doubts as majority of them are not employers in the accepted sense here.

The following is the correct analysis of these members :—

- (i) Mr. M. L. Khaitan, of Bata, is the genuine representative of Bata Management which is employing more than 6,000 workers.
- (ii) The second member is Mr. B. C. Mazumdar, the Proprietor of National Chamoi. This National Chamoi employs only 30 (thirty) labourers in all.
- (iii) The third member Mr. Mutsuddi is the Proprietor of a small suit-case-making shop called the Leather Experts Union and has got 14 men altogether in his employ out of which 5 or 6 are engaged

in leather suitcase-making and the rest working in the wood section of the shop. The most important and representative industries and their employers who have about 10,000 workers under their employ have not been given the opportunity to express their views even. Below are the given facts for consideration :—

- (a) There are about 150 tanneries in Dhapa which employ more than 3,000 workers working in Chrome Tanning. These firms are represented by Chinese Tannery Owner Association.
- (b) There are also about 100 sole leather tanneries in Tiljala Road (Bridge No. 4) which employ about 1,000 workers and is represented by the Punjab Tanning Corporation.
- (c) There are about 15 other tanneries, which employ about 300 workers. Apart from the above, in Calcutta there are about 500 Muchi shoe-makers employing about 3,000 workers represented by the Calcutta Rabidas Mahasabha.
- (d) Above all are the 200 shoe-making factories, most of which belong to the Chinese in Bowbazar P.S., Hare Street P.S. and Taltala P.S. They employ about 3,000 workers, and are represented by the Chinese Chamber of Commerce, Calcutta.

It is a matter of great regret that not a single member from these 4 representative associations employing more than 10,000 workers has been taken in the Committee, as the employers' representative, for reasons and motive best known to the selecting Authority of the Government of West Bengal.

(4) The two members of the employers' group employ only 35 workers—30 in National Chamois and 5 in Leather Experts Union and as such they cannot, by any stretch of imagination, be called the employers representative. This becomes all the more glaring when we see that the real representatives of big employers are not taken into consideration while mushroom employers are afforded opportunity to act as yeomen.

(5) The 3 workers' representatives are fully represented in the Committee as the nominee of Bengal Provincial National Trade Union Congress.

(6) The Chairman with the advice of Rai Bahadur B. M. Das, the Leather and Tanning Adviser, and Government members of the Committee arranged inspection in National Tannery, Hindusthan Tannery, National Chamois, Leather Experts' Union, Bata Company, Santiniketan and Vatal Tannery. Only one Chinese Tannery at Dhapa was inspected, out of 150 where exploitation of the workers is the order of the day. On the other hand not a single out of 200 shoe factories of the Chinese employing about 3,000 workers, was inspected and not to talk about the other shoe-maker factory of 500, employing about 3,000 workers. It seems it has purposely escaped the notice of the Committee in order to avoid the real idea of the existing rates of wages in those factories. Except Bata all these tanneries pay much more than the few inspected ones by the Committee, which is going to fix up the minimum wages for all the workers of all the factories of West Bengal. The Chinese and other shoe-making factories pay at the average rate of Rs. 100 per worker per month. So, the inclusion of 2 above-noted members on behalf of the employers in this Committee, is not only unfair, improper but is motivated and is an act of injustice in face of the above proofs.

(7) The Committee sat on 25th September 1950 for final decision. The Chairman put up a suggestion in letter No. 1940(9)L.T., dated the 21st September 1950, recommending to the minimum wages to be fixed as per table below :—

| | Basic salary. | Dearness allowance. | Total. Per month. |
|---|---------------|---------------------|----------------------|
| | Rs. | Rs. | Rs. |
| (i) for unskilled worker | 36 | 15 | 51 |
| (ii) for semi-skilled worker | 41 | 15 | 56 |
| (iii) for skilled workers | 50 | 20 | 70 |
| (iv) for clerks | 50 | 20 | 70 |
| (v) for apprentice—2/3rds of the above rates. | | | |

Normal working 8 hours, this includes recess of half an hour. Every Sunday is a paid holiday at half the normal rate. If a worker is made to work on such days, he will be entitled to get wages at double the normal rate over and above half day's wages.

(8) Our suggestion on behalf of the workers (this includes Sri Tejen Bose's opinion) to the Committee was as follows :—

| | Basic pay. | Dearness allowance. | Total. Per month. |
|--------------------------------------|------------|---------------------|----------------------|
| | Rs. | Rs. | Rs. |
| (i) for unskilled worker | 45 | 35 | 80 |
| (ii) for semi-skilled worker | 65 | 35 | 100 |
| (iii) for skilled worker | 85 | 35 | 120 |
| (iv) for clerks | 85 | 35 | 120 |

The above to be applied for both time rate and piece-rate workers of the Trade. Normal working 45 hours per week, every Sunday paid holiday at half the normal rate and if he is made to work on Sunday, he will be entitled to get double the wages of normal rate plus half day's wages.

(9) Mr. M. L. Khaitan of Bata, the employer-Member, remarked that "the wages suggested by the Chairman is somewhat low—as many are paying much higher minimum wages in Calcutta now, for instance, Calcutta Tramways Co., Electric Supply Corporation, Liptons, etc., are paying much more in order to keep the efficiency in tact." Mr. M. L. Khaitan suggested :—

| | Basic salary. | Dearness allowance. | Total. Per month. |
|---|---------------|---------------------|----------------------|
| | Rs. | Rs. | Rs. |
| (i) for unskilled cooly class workers | 40 | 30 | 70 |
| (ii) for semi-skilled worker | 45 | 30 | 75 |
| (iii) for skilled worker | 50 | 30 | 80 |
| (iv) for clerks | 70 | 30 | 100 |

Half days on Sundays; 2 full days in a month of 30 days and 45 hours of work in a week. This suggestion from the Employer of Bata is on the whole reasonable although it does not satisfy the present demand of the workers in view of the bad working conditions in most of the industries except Bata, the soaring prices of the necessities of life, lack of medical facilities made available on behalf of the employers and housing problem.

(10) Mr. Mustafi, the Proprietor of Leather Experts Union and Employer-Member, himself employing only 5 workers in his suit-case-making shop suggested :—

| | | | Basic salary. | Dearness allowance. | Total. |
|-------|-------------------------|-------|---------------|---------------------|--------|
| | | | Rs. | Rs. | Rs. |
| (i) | for unskilled worker | | 30 | 10 | 40 |
| (ii) | for semi-skilled worker | | 40 | 10 | 50 |
| (iii) | for skilled worker | | 60 | 10 | 70 |
| (iv) | for clerks | | 60 | 10 | 70 |

(11) Rai Bahadur B. M. Das, Government Member, supported the suggestion of Chairman, i.e.,—

| | | | Basic salary. | Dearness allowance. | Total |
|-------|-------------------------|-------|---------------|---------------------|-------|
| | | | Rs. | Rs. | Rs. |
| (i) | for unskilled worker | | 36 | 15 | 51 |
| (ii) | for semi-skilled worker | | 41 | 15 | 56 |
| (iii) | for skilled worker | | 50 | 20 | 70 |

Mr. Radha Nath Das, M.L.A., supported the above suggestion of the Government. We two Worker-Members although supporting Employer-Member Mr. Khaitan's suggestion, were out-voted by the Government nominees. Three Government Members and one Employer-Member voting side by side. Thus the Chairman declared his suggestion to be finally passed by majority of 1 after casting his own vote.

(12) We, the Worker-Members objected to this and were allowed to submit our view-points separately. The Government should have at least supported Mr. Khaitan's proposal. But they went far below and recommended Rs. 51 as the minimum which is unfair and unpracticable. In this connection I like to submit that the aim of the Government in fixing the minimum wages is to give a guaranteed minimum wage for the worker per month, below which no worker would get.

(13) The very formation of the Committee, apart from the non-representative characters of some of the so-called Employer-Members, has been very wrong in principle. The composition of the Committee ought to have been and should be of equal number of members from all the three sides, the Government, the employers and the employees, in which one of the Government nominees should preside.

(14) It was ascertained from the neighbouring State, where cost of living is definitely much more lower than that of West Bengal and Calcutta, that Bihar fixed up Rs. 65 as the minimum for the lowest category of employees, i.e., unskilled cooly class and it is amazing that Government-Members of West Bengal should have thought fit to recommend Rs. 51 as the minimum at a place like Calcutta where all the leather industries of West Bengal and 65 per cent. of the entire leather industry of the country are situated and where the cost of living is double than Bihar Area. Government Members suggested that they fix the minimum to allow the capacity of the industry to pay. But in Calcutta the Chinese and others employing about 10,000 workers are paying Rs. 80 at present as the minimum for unskilled labourer and Rs 100 as the minimum for the skilled workers. It seems that the Government is interested in another one to the existing list of World's wonder while fixing the minimum wages in most arbitrary fashion which go against the prevalent practice and falls much below the

suggestion of Sri Khaitan, the approved and truly representative of the employers. The Committee ought not and should not forcibly take away the existing facilities of the workers; rather it should always improve upon them. It is unheard-of in the annals of the labour movement that Government are fixing lower minimum standard of wages while the employers are ready to pay more.

(15) On the plea of the capacity of the industry to pay, no Government can compel the workers to remain half fed and half clad. The Hon'ble Sri Jagjivan Ram, the Labour Minister of India, while piloting the Minimum Wages Act had remarked—

“that the Industry which has no capacity to pay the requisite minimum to the workers, has no right to exist.”

(16) The minimum Wage-fixing Machinery Recommendation of the I.L.O. says that for the purpose of determining the minimum rates of wages “regard should primarily be had to the rates of wages being paid for similar work in trades, where the workers are adequately organised and have concluded effective collective agreement, or no such standard of reference is available in the circumstances, to the general level of wages prevailing in the country or in the particular locality”.

(17) The Queensland Industrial Conciliation and Arbitration Act provides “that the basic wage paid to an adult male employee shall not be less than is sufficient to maintain a well-conducted employee of average health, strength and competence and his wife and a family of 3 children in a fair and average standard of comfort, having regard to the conditions of living prevailing among employees in the Calling in respect of which such basic wage is fixed and provided that in fixing of such basic wages, the earning of the children or wife of such employee shall not be taken into account”.

(18) I.N.T.U.C. Memorandum to the Fair Wages Committee of the Government of India States:—

“The Minimum Wage should have no regard to the capacity of the Industry to pay and should be based solely on the requirement of the worker and his family.”

(19) In West Bengal Bata employing more than 6,000 workers is the biggest single employer and to a new cooly or untrained worker, they pay Rs. 72 as the minimum per month. Besides, the worker gets bonus, provident fund, living accommodation, medical facility, etc. The Chinese people employing more than 3,000 labourers in tanneries at Dhapa also pay Rs. 70 to Rs. 80 to an unskilled labour, over and above one month's pay as bonus in the year.

(20) The shoe-maker working under the Chinese Shoe Factories, having more than 3,000 labourers under their employ on piece-rate system pay at the average of Rs. 120 per month at present.

(21) The working condition in tanneries is such that the bad smell and the nuisance of the tanning materials and barks compel a worker to fall ill frequently and as such no worker can work for more than 9 months in the year at a time. This being so proper food and necessary medical treatment are absolutely necessary to make the workers fit and competent. But Rs. 51 as the minimum wage suggested by Government Members of this Committee is unjust and unreasonable.

(22) Therefore, it is the duty of the Government to see that on the plea of the "capacity of the Industry to pay" in this trade, the already physically, mentally and economically crippled workers should not be compelled to work on a minimum which is far below the living standard of the day. Bata Shoe Co., the Calcutta Tramways Co., the Electric Supply Corporation, the Port Commissioners, Liptons Tea, etc., are all paying more than Rs. 80 per month as the minimum for a new and untrained worker.

(23) Work in this trade (leather industry) requires special training and a cooly from the street cannot carry on this work. So even the unskilled workers of this trade also have got some special knowledge in this behalf.

(24) The All-Bengal Charmakar Union in its general meeting on 17th October 1950 at Wellington Square under the presidentship of Sri Deven Sen, M.L.A., Secretary, B.P.N.T.U.C., passed a resolution protesting against Rs. 51 as suggested by the Government Member of the Minimum Wage Committee of Tannery and recommended Rs. 70 as the minimum for the unskilled worker of this trade.

(25) In view of the facts and circumstances mentioned above, Government should reconsider the matter in a sympathetic manner and should fix up the minimum wages as under—

(i) *For unskilled* (such as coolies, raw hide godownman, who pile and look after hide, soakers, limehouse labour, bark yard labours, fishhouse labours, bard crushers, oilers, hanger of hide, etc., and all kinds of workers doing ordinary cooly type of work).—

Basic salary Rs. 40. Dearness allowance Rs. 30. Total Rs. 70.

(ii) *Semi-skilled* (including unhearers, scurdders, nailers, trimmers, finish appliers, hand-stakers, hand-boarders, naojani or apprentice of shoe-making, etc.).—

Basic salary Rs. 50. Dearness allowance Rs. 30. Total Rs. 80.

(iii) *Skilled*.—All machinememen, knifers, hand-fleshers, hand-shavers, all sho-makers and suitcase-makers, etc.—

Basic salary Rs. 70. Dearness allowance Rs. 30. Total Rs. 100.

(iv) *Clerks*.—Rs. 70. Dearness allowance Rs. 30. Total Rs. 100.

Half days on Sunday, i.e., 2 full days on account of 4 Sundays in a month of 30 days and 45 hours of work in a week.

(26) Otherwise any low minimum fixation will remain a waste-paper basket work and the workers will not accept it and will be forced to find their way out suitable to their requirement in present-day living condition.

(27) I, on behalf of the workers, appeal to the Government to fix up the minimum wage for the workers engaged in tanning and leather manufacturing concerns in a reasonable way as suggested by me above having regard to the minimum paid in Bata, Calcutta Tramways Co., Ltd., Calcutta Electric Supply Corporation, Liptons Tea, Brook Bond, etc., and also the minimum of Rs. 65 fixed by Bihar Government for the unskilled worker, thereby doing full justice to the workers for whose benefit the Minimum Wages Act is going to be enforced.

RAMANANDA DAS.
7-12-1950.

I support it *in toto*.

TENJEN BOSE.
7-12-1950.

Forwarded to Government.

G. PALIT.
7-12-1950.

NOTE.

Re.: Minimum Wages Enquiry Committee for Tanneries and Leather Manufactories in West Bengal.

I have not found it possible to agree with some of my colleagues in regard to the decision about the minimum wages as arrived by a narrow majority by virtue of a casting vote in so far as it involves differences rather fundamental. As such, I feel it my duty to place on record my views.

Before I draw out the natural sequence, however, it seems of utmost importance to me, at the outset, to recapitulate precisely the background in brief with all the pros and cons—moral or legal, in addition to the scientific bearings on the issue, in an attempt of crystallizing the accepted criteria by which my point of view is supported. Following the international convention and inherent progress as well as the pressing expediency in relation to the eradication and prevention of low wages that tend to unprofitable sweating, not unlike others, the Indian legislators found it necessary to enforce minimum wages legally as a result of which the Minimum Wages Act, 1948, was enacted by the Central Government authorising and directing all the State Governments to fix minimum rates of wages in certain industries including employment in tanneries and leather manufactories. In exercise of the power conferred by the said Act the Government of West Bengal appointed this Minimum Wages Committee to hold enquiries and advise the Government in fixing minimum wages in respect of employment in tanneries and leather industries under the said Act.

The Committee consisted of, excluding the Chairman a learned member of the Judiciary, three representatives of the Government who are Government servants except one who is a member of the Legislature as independent member, three representatives of the Employers and three representatives of the Employees. The Committee's proposed recommendation could not be unanimous and the view of the majority by virtue of the casting vote of the Chairman is supported by two of the independent members, the third being absent and one Employers' representative employing 15 workers. It was opposed by one of the Employers' representatives employing 7,500 workers and two Employees' representatives representing 22,500 workers, the third member of both Employers and Employees being absent.

Before I proceed further I should like to refer to some of the reasons for minimum wage legislation in other countries and its achievements. The reasons were as follows:—

- (a) The minimum wage movement was primarily a consequence of "sweat" shop conditions and its basic presumption was that as the health and strength and morals of workers depended to a great extent upon wages—public policy demanded that the payment of living wages be made, except under very special circumstances, as a first charge upon industry.
- (b) State should protect fair enterprises against competitors who constantly try to reduce cost through depressing wages rather than through elimination of slack and inefficient methods of production.
- (c) The minimum wage movement has had underlying it the assumption that concentration of production within those firms able to pay decent wages would not be undesirable.

- (d) To protect workers in an industry where there was little or no organisation of labour and the prevailing wages were exceptionally low.

The achievements may be summarised as follows:—

- (a) It produced stability with rigidity. Some businesses which maintained themselves only by the payment of "sweated" wages were forced out of existence. But on the whole they were replaced by more efficient units which were able to support higher rates. Wages rose; employments did not diminish; and there were few trades which would readily return to the unregulated position of the pre-legislation days.
- (b) It tended to stimulate workers to increase output, while at the same time it encouraged employers to make various adjustments in the direction of greater efficiency within their works. Wage increases were accompanied by organisational economics to such a degree, indeed, that some employers praised the minimum wage legislation as an incentive to industrial efficiency.
- (c) It resulted in an improvement of industrial relations in the trades covered.
- (d) Industry did not succumb in consequence of Governmental interference with the wage relationship. It wiped out "sweating" or excessively low wage and without harm to business and contrary to prediction, employers were not ruined or even injured in their profits or production and that not the least of the consequences of the system was the creation of an influence promoting industrial peace.
- (e) As there was nothing contrary to nature in this attempt, industry somehow was able to survive when it was required to pay its workers wages enabling them to live at a minimum of decency.

Having been prompted by similar reasons and probably also by the achievements, the minimum wage legislation, following broadly the U. K. model came into existence, but with no clear statutory definition of the principles which are to be followed in determining the minimum wages as conditions varied from industry to industry and State to State. The one difficulty that has always been felt is about setting up definite standards or indicating what factors should be taken into consideration in determining minimum wages. As such, the inevitable result has been constant rankling as to the proper definition of a minimum wage, at least what consideration weighed on the fixation of wages, and in consequence the minimum wages so far fixed by legislation in other countries generally represented compromises. Fundamentally, for guidance, however, we can to a great extent depend on such principles as may have been propounded and practised elsewhere. Those generally can be reduced down to some tentative principles as follows:—

- (a) A minimum wage should be adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation.
- (b) It should provide for such a rate which avoids approach to "sweating", in other words, a wage on which at least maintenance is possible.

- (c) It should be such as to give protection to the workers in each trade by securing to them at least a rate which approximates the subsistence level in the place in which they live and which the trade can bear.
- (d) It should be sufficient to meet the normal needs of the average employee regarded as a human being living in a civilized country.
- (e) It should, more or less, coincide with the existing minimum wage standards of the better paying firms, in other words, scaling up the low wages paid by irresponsible firms.

The feeling of those active in bringing about minimum wage legislation had been that as a long run proposition no industry is justified in claiming that it is unable to pay a living wage to its workers. An industry's workers have to be supported somehow; if it does not assume this responsibility, it is existing on the bounty of others. Perhaps other members of the family are making up the difference; perhaps the cost is ultimately met by society as a whole in the upkeep of hospitals, charities and reformatories which are more necessary than they otherwise would be because of the physical deterioration and moral degeneration caused by low wages. Certainly, since industry and society as a whole must support all their wage earners, an industry which pleads inability to pay living wages is existing upon the economic effort of others and public opinion is coming to hold that the maintenance of at least a subsistence standard of living for all its workers is a responsibility which every industry must assume.

Within the framework and possible limitations of above, an idea can easily be formed as to all the relevant bearings on the issue, but to elucidate further I would quote some relevant excerpts and opinion from distinguished and eminent authorities on the subject.

The National Planning Committee on Labour in its report states thus:—

“A national minimum of reasonable living including not only bare necessities but a modicum of comforts and amenities of civilized life should be guaranteed to all citizens, labour included.

“The standard of living should be worked out and expressed in terms of material goods and services necessary to bring up, maintain and provide for every individual to enjoy a reasonable degree of necessities, comforts and amenities of life and this standard of living must be considered as the Irreducible National Minimum which must be guaranteed and made available by the State to every citizen and treated as amongst the fundamental rights of citizens.

“First attempt should be made by means of minimum wages legislation to raise the level of wages that are too low to maintain even a minimum standard of health and decency for the workers.

“A living wage should be defined with as much care and precision as possible and no worker should be required to work for less than a living wage.”

The Bombay Plan lays down that “in the initial stages the minimum wages should be related to the normal wage level prevailing in the country.”

The Pay Commission in its report expressed:—

“The familiar argument that an increase in salaries and wages may itself lead to a increasing prices and increasing wages cannot be allowed to support a claim to keep a large section of people below the minimum level of subsistence.

"We are convinced that the State must now take some step forward in the direction of giving effect to the living wage principle in dealing with its employees. The question is to what extent. We think that at present we can only aspire to rise above the poverty line in the sense namely the point below which an individual would be undernourished."

"We come to the conclusion that Rs. 55 (Rs. 30 basic) and Rs. 90 (Rs. 60 basic) represented reasonable minimum wages for a working class family and the family of a clerk respectively, at a cost of living index figure 260, with further house allowances in costly places and some other concessions for the benefit of low paid public servants."

The Fair Wages Committee in its report has stated thus:

"To indicate with any degree of precision the relationship between the level of wages and that of the national income is a very difficult matter. We consider that the comparatively low level of our national income should not be used as an argument against the prescription by law of minimum standards below which, on social grounds, no one shall be allowed to fall. At almost any level of the national income there should be a certain level of minimum wages which society can afford."

"The Minimum Wage Fixing Machinery of I.L.O. recommended that for the purpose of determining the minimum rates of wages regard should primarily be had to the rates of wages being paid for similar work in trades where the workers are adequately organised and have concluded effective collective agreements or if no such standard of reference is available in the circumstances to the general level of wages prevailing in the country or in the particular locality."

"The U. P. Labour Enquiry Committee classified levels of living standard in four categories: (1) the poverty level, (2) the minimum subsistence level, (3) the subsistence plus level, and (4) the comfort level, and chose "*subsistence plus level*" as the basis of what is called the *Minimum Living Wage*."

"Most employers and some provincial Governments consider that the minimum wage can at present be only a bare subsistence level. In fact even one important all-India organisation of employees has suggested that a minimum wage is that wage which is sufficient to cover the bare physical needs of a worker and his family." In the opinion of I.N.T.U.C., "the minimum wage should have no regard to the capacity of an industry to pay and should be based solely on the requirements of the worker and his family."

"We consider that a minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker and for this purpose a minimum wage must also provide for some measure of education, medical requirements, and amenities."

"When considering the wage capacity of industry, the industry as a whole has to be considered and not the capacity of each separate unit of an industry. While the lower limit of fair wage must obviously be the minimum wage, the upper limit is equally set by what may broadly be called the capacity of industry to pay. This

will depend not only on the present economic position of the industry but on its future prospects. Between these two limits the actual wages will depend on a consideration of the following factors :—

- (a) The productivity of labour;
- (b) The prevailing rates of wages in the same or similar occupations in the same or neighbouring localities;
- (c) The level of national income and distribution, and
- (d) The place of the industry in the economy of the country."

The sum and substance of the above opinions and views may be stated that the Irreducible Minimum wages, except under most exceptional circumstances, must at least be slightly above the poverty line, that is to say, just enough for bare subsistence which according to Hon'ble Mr. Justice Rajadhyaksa is Rs. 55—60 in less expensive areas and Rs. 65—70 in cities like Bombay and Calcutta at cost of living index 200; according to Pay Commission, Rs. 55 at cost of living index 260; and according to Sri S. N. Guha-Roy, Rs. 67-8 at cost of living index 300 for a working class family. Further I should like to support the above by the award given by Sri S. N. Guha-Roy in the dispute of Calcutta Tramways Co., Ltd., and its employees. When dealing with the question of the principles governing fixation of minimum wages stated thus :—

"The Company accepts the broad principle that every worker must be paid a rate of wages which enables him to maintain a minimum standard of decent living.

"The Bombay Textile Labour Enquiry Committee and the Bihar Labour Enquiry Committee attempted to arrive at a conclusion regarding the minimum wages on a consideration of two alternative and sometimes conflicting principles, namely, the cost of living principle and the capacity to pay principle, the first being governed by the normal needs of the workers and the second by the economic condition of the industry in which they are employed. As pointed out in the Bihar Labour Enquiry Committee in practice all minimum wage legislation represents an effort, not always candidly acknowledged, to harmonise both of them. I shall, therefore, adopt the two bases, namely, the living wage and the capacity to pay, in determining what should be the minimum basic pay.

"The first thing to do is to raise those classes of workers living on the border line of starvation just above the border line instead of trying to bring them all at once to a region of plenty.

"By accepting for the working class the minimum nutritional standard as laid down by Dr. Akroyd, I arrive at a figure of Rs. 67-8 per month for an average working class family, and Rs. 100 per month for a middle-class family at a cost of living index, viz., 300 as the minimum payable subject to the capacity of the industry to pay."

The Chairman of this Committee, Mr. G. P. Palit, explained during the course of discussion what should, in his opinion, be the guiding principles in the fixation of minimum wages and he stated the following:—

- (1) National income *per capita*.
- (2) Productivity of labour or outturn method.
- (3) Prevailing rates of wages in this industry in the vicinity.
- (4) Capacity of industry to pay.
- (5) Place of this industry in the general economy of the country.

The majority report has proceeded on the above basis. The criteria as suggested above are equally applicable for determining Fair Wages, higher than the minimum wages under the proposed Fair Wages legislation. *The Hon'ble Sri Jagjivan Ram, when explaining the object and reasons of the Fair Wages Bill stated that irrespective of the capacity of the industry or the unit to pay, minimum wages sufficient for subsistence including medical and education expenses must be paid by an industrial employer.* In my opinion the Hon'ble Minister has set at rest any controversy as to what the minimum wages ought to be. The proposed Fair Wages Bill further provides that the Board after ascertaining the minimum rates of wages which must be sufficient to provide an employee's standard family with food, shelter and clothing and also medical expenses and education of children appropriate to his station in life shall then consider further increment of such wages taking into consideration the above principles in order to fix fair wages. In case the majority view is accepted that the above principles are to be taken into consideration in the fixation of minimum wages, then another legislation for fixing fair wages becomes, more or less, redundant. Further, if after giving due consideration to all the principles, on which assumption the majority has proceeded, the wages as proposed by it are to be determined as the minimum wages under this Act, in my opinion it will, apart from being unfair, be very detrimental to the cause of industry and labour, and I wonder what bright hope for further improvement in wages the proposed Fair Wages legislation will hold out.

Anyhow, according to the decision by majority the minimum wages suggested are as follows:—

| | Basic. | Dearness allowance. | Total Per month. |
|-------------------------------|---------------------------|---------------------|------------------|
| | Rs. | Rs. | Rs. |
| (1) Unskilled worker | 36 | 15 | 51 |
| (2) Semi-skilled worker | 41 | 15 | 56 |
| (3) Skilled worker | 50 | 20 | 70 |
| (4) Clerks | 50 | 20 | 70 |
| (5) Apprentice | 2/3rds of the above rate. | | |

On investigation it was found that the wages at present paid by most of the employers in this industry was causing the evil of sweating and were too low and as such this Act has been passed for the eradication of this evil of sweating and scaling up the low wages now paid. The suggested rates by the majority will also show how much less they are compared to what the Pay Commission, the Hon'ble Mr. Justice Rajadhyaksa and Sri Gulia-Roy have found the minimum wage should be at a living index of 200, 260 and 300, whereas the present cost of living index is 360. The majority of the employees in this industry are already getting higher wages than suggested by the Committee and to fix such low minimum wages will be retrogressive and will defeat the very purpose of the legislation. The Central Government as well as the Bihar Government Minimum Wages Committee for this industry have proposed all inclusive Rs. 65 per month as the minimum wage for unskilled workers as against Rs. 51 proposed by this Committee.

Having studied the various awards made in respect of most of the organised industry in our country, I find the all inclusive average minimum wage level is approximately Rs. 65 per month for a working class family and Rs. 90 per month for a middle class family at a cost of living index 300. Even in this industry more than Rs. 70 per month is the all inclusive minimum wage rate for the unskilled workers in the organised and efficient firms, and it cannot, therefore, be said, applying the principles adopted in this country and foreign countries, that this industry is unable to pay what Sri Guha Roy says should be paid at a cost of living index 300. I also regret my inability to appreciate how the majority considers Rs. 15 per month to be adequate compensation for the higher cost of living.

I have, therefore, come to the conclusion that, taking into consideration all the circumstances and the guiding principles suggested by distinguished and capable members of the society, the minimum rates of wages to be fixed under the present legislation must not be less than the irreducible minimum, that is to say, wages which would not be sufficient for subsistence. It may be higher but not above the subsistence plus level and anything to be fixed between these two limits, from time to time, will necessarily depend upon the capacity of the particular industry to pay. Anything over and above the subsistence plus level would in my opinion be the domain of the Fair Wages Board. It has been scientifically reckoned that the minimum subsistence requirement at a cost of living index figure of 300 represents Rs. 67-8 for a working class family and Rs. 100 for a middle class family.

Holding the above view, I consider that the minimum rates of wages in this industry at the present cost of living index should be as follows:—

| | | | | |
|-----|------------------|-------------------------|------------------------------|---|
| * { | (1) Unskilled | .. All inclusive Rs. 70 | (basic not less than Rs. 40) | As against total Rs. 51 (basic Rs. 36) proposed by the Committee. |
| | (2) Semi-skilled | .. " 75 | (" 45) | .. 56. (basic Rs. 41) |
| | (3) Skilled | .. " 85 | (" 50) | .. 70 (basic Rs. 50) |
| | (4) Middle class | .. " 100 | (" 60) | .. 70 (basic Rs. 50) |

I have, however, tempered my suggestion on consideration of the fact that by bringing the two low wages all on a sudden at a very high level it may not be a desirable policy and that further scaling up may be done cautiously and gradually if and when found necessary.

The difference between the majority's view and my suggestion regarding the basic is comparatively small. With regard to dearness allowance, the living index at present is 360, and I cannot understand and appreciate how a further sum of Rs. 15 or Rs. 20 as the case may be can be adequate compensation as suggested by the majority.

The general considerations that have weighed with me in reaching the above conclusions are:—

- (a) Efficiency in production can only be brought about by the payment of a wage which avoids sweating and enables a worker to maintain himself and his family in good health.
- (b) When employers are made to pay higher wages of the nature mentioned herein their efficiency is bound to increase and thus bring and produce all-round better standard.
- (c) Unless minimum wages are fixed in a reasonable manner which are enough for subsistence and prevent sweating the whole purpose and object of the Act is likely to be defeated and there would be more industrial trouble than ever before because the working

class will lose faith in the legislators, independent members and employers and all hope of a new order that this legislation held out will be shattered to pieces.

For the foregoing reasons and considerations, I beg to differ from my colleagues and endorse my suggestions for acceptance for the sake of industrial peace and social justice.

M. L. KHAITAN.

Forwarded to Government.

G. PALIT.

21-7-1950.

No. 1485-Lab., dated Calcutta, the 7th March 1951.

Notification by—The Government of West Bengal, Labour Department.

In exercise of the power conferred by clause (a) of sub-section (1) of section 3, read with sub-section (2) of section 5 of the Minimum Wages Act, 1948 (XI of 1948), the Governor, having considered the advice of the Committee appointed under clause (a) of sub-section (1) of section 5 of the said Act by the Notification No. 1363-Lab., dated the 22nd March 1950, is pleased to fix the minimum rates of wages payable to the employees in Tanneries and Leather Manufactories in the State of West Bengal as specified in the schedule annexed hereto.

Schedule.

(1 day=8 working hours, 1 week=6 working days and 1 month=26 working days.)

1. The following shall be the minimum rate of wage and dearness allowance payable to the time-rated employees in Tanneries and Leather Manufactories so long as the cost of living index number is 350 with 1939 as 100:—

Monthly Rates.

| | Basic. | | | Dearness allowance. | | | Total. | | |
|----------------------|--------|----|----|---------------------|----|----|--------|----|----|
| | Rs. | a. | p. | Rs. | a. | p. | Rs. | a. | p. |
| Unskilled | 30 | 0 | 0 | 21 | 0 | 0 | 51 | 0 | 0 |
| Semi-skilled | 35 | 0 | 0 | 21 | 0 | 0 | 56 | 0 | 0 |
| Skilled | 45 | 0 | 0 | 25 | 0 | 0 | 70 | 0 | 0 |
| Clerks | 50 | 0 | 0 | 20 | 0 | 0 | 70 | 0 | 0 |

Daily Rates.

| | Basic. | | | Dearness allowance. | | | Total. | | |
|--------------------|--------|----|----|---------------------|----|----|--------|----|----|
| | Rs. | a. | p. | Rs. | a. | p. | Rs. | a. | p. |
| Unskilled | 1 | 2 | 6 | 0 | 13 | 0 | 1 | 15 | 0 |
| Semi-skilled | 1 | 5 | 6 | 0 | 13 | 0 | 2 | 2 | 6 |
| Skilled | 1 | 11 | 6 | 0 | 15 | 0 | 2 | 11 | 0 |
| Clerks | 1 | 14 | 9 | 0 | 12 | 3 | 2 | 11 | 0 |

2. The piece rate shall not be lower than the daily rate.

3. Female employees, if any, shall get equal wage and dearness allowance with male employees.

4. Apprentices shall be paid at two-thirds of daily rate plus full dearness allowance.

5. Dearness allowance shall be adjusted according to the cost of living index number at the interval of one year. The following shall be the rate of variation of dearness allowance for rise and fall of 10 points in the cost of living index number provided that no adjustment of dearness allowance shall be made below 160 points in the cost of living index number:—

| | | | Rs. | a. | p. |
|--------------------------------------|----|----|-----|----|----|
| (i) Unskilled and semi-skilled | .. | .. | 1 | 1 | 9 |
| (ii) Skilled | .. | .. | 1 | 5 | 0 |
| (ii) Clerks | .. | .. | 1 | 1 | 0 |

For a drop or rise, short of and in excess of 10 point in the cost of living index number, the reduction and increase shall be proportionate.

No. 4117-Lab., dated Calcutta, the 3rd July 1951.

Notification by—The Government of West Bengal, Labour Department.

Whereas minimum rates of wages in respect of employment in Tanneries and Leather Manufactories in the State of West Bengal have been fixed under the Minimum Wages Act, 1948 (XI of 1948);

Now, therefore, in exercise of the powers conferred by sections 13 and 14 of the Minimum Wages Act, 1948 (XI of 1948), the Governor is pleased to fix, for the employees in the Tanneries and Leather Manufactories in the State of West Bengal, the hours of work constituting a normal working day, the period of interval for rest, the day for weekly rest and the rate of overtime, as specified in the schedule hereto annexed.

The Schedule.

1. Eight working hours including an interval of rest for half an hour shall constitute a normal working day and six such days shall constitute a week, provided that all or any section of employees in any Tannery or Leather Manufactory may be required by the employer to work up to 9 hours in any day subject to the weekly limit of 48 hours. Work in any Tannery or Leather Manufactory, which is a factory within the meaning of the Factories Act, 1948 (LXIII of 1948), shall be subject to the conditions laid down in Chapters VI and VII of the Factories Act, 1948 (LXIII of 1948).

2. Sunday shall be ordinarily the day for weekly rest.

3. For work beyond normal working hours the employees shall be paid at double the ordinary rate, which shall be in accordance with the provisions of section 59 of the Factories Act, 1948 (LXIII of 1948).